

## Message Text

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ORIGIN PM-07

INFO OCT-01 ARA-16 ISO-00 EB-11 COME-00 CIAE-00 INR-11

NSAE-00 RSC-01 AID-20 IGA-02 MC-02 ACDA-19 H-03 L-03

/096 R

DRAFTED BY PM/SAS:GSWEANY/RS

APPROVED BY PM/SAS - J. F. LADD

DOD/DSAA - MR. BILLINGS (SUBST)

ARA/EP - MR. CLARK

----- 100260

R 162234Z AUG 74

FM SECSTATE WASHDC

TO AMEMBASSY QUITO

INFO CSAF

JCS

USCINCSO

USAFSO

C O N F I D E N T I A L STATE 180868

E.O. 11652:GDS

TAGS: MASS, EC, US

SUBJECT: A-37B AND F-5E SALES TO ECUADOR

REFS: (A) QUITO 5284; (B) SECDEF 6651(161250Z AUG 74)

1. IN LIGHT OF INFORMATION CONTAINED REFTELS FOLLOWING  
GUIDANCE MAY BE USEFUL TO EMBASSY IN CONNECTION WITH PRO-  
POSED AIRCRAFT PURCHASES: ROBERT MCADAM, NORTHROP REPRESENTATIVE,  
RECENTLY RETURNED FROM QUITO, REPORTS TO DOD THAT HE BELIEVES GOE MIGHT  
RAISE QUESTION OF FMS CREDIT FINANCING FOR BOTH A-37B AND F-5E BEFORE  
GOE ACCEPTS LETTERS OF OFFER. WE HAD NO PREVIOUS INDICATION THAT FMS  
CREDIT WAS TO BE INVOLVED IN SALES, AND BELIEVE THAT EMBASSY SHOULD  
BE AWARE OF THE FOLLOWING, SHOULD GOE RAISE CREDIT  
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QUESTION. OUR FY 75 FMS RECOMMENDATION TO CONGRESS FOR ALL

COUNTRIES IS NO MORE THAN A REQUEST; THE BILL IS NOW UNDER CONSIDERATION BY APPROPRIATE CONGRESSIONAL COMMITTEES. PENDING ENACTMENT OF LEGISLATION, WE CANNOT CONSIDER ANY REQUEST FOR FY 75 CREDIT FUNDING. MOREOVER, SHOULD ECUADOR DESIRE TO MAKE F-5E PURCHASES ON FMS CREDIT BASIS, SECTION 4 OF THE FOREIGN MILITARY SALES ACT, AS AMENDED, WOULD REQUIRE A PRESIDENTIAL DETERMINATION OF ECUADOR'S ELIGIBILITY TO PURCHASE JET AIRCRAFT ON FMS CREDIT.

2. FYI. IF AND WHEN FY 75 CREDIT FUNDS BECOME AVAILABLE, IT IS POSSIBLE THAT SUCH FUNDS COULD BE APPLIED TO ACQUIRE AIRCRAFT. HOWEVER, AS NOTED ABOVE, THIS COULD REQUIRE A PRESIDENTIAL DETERMINATION THAT THE PURCHASE OF SUCH AIRCRAFT BY ECUADOR WERE IMPORTANT TO THE SECURITY OF THE U.S. GIVEN THE UNCERTAINTIES REGARDING FY 75 CREDITS AND CONGRESSIONAL SENSITIVITIES TOWARD THE USE OF FUNDS, THIS ISSUE SHOULD NOT BE RAISED WITH THE GOE. IF THE GOE SHOULD INQUIRE ABOUT CREDIT FUNDING FOR F-5E OR A-37B PURCHASES, EMBASSY SHOULD STATE THAT NO CONSIDERATION CAN BE GIVEN TO CREDIT FINANCING PRIOR TO PASSAGE OF FY 75 LEGISLATION. END FYI. KISSINGER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MILITARY AIRCRAFT, MILITARY PROCUREMENT, MILITARY CREDIT  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 AUG 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CollinP0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE180868  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** GSWEANY/RS  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D740227-0123  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740839/aaaabhry.tel  
**Line Count:** 82  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN PM  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** (A) QUITO 5284; (B) SECDEF 6651(1612, 50Z AUG 74)  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CollinP0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 13 SEP 2002  
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**Review Media Identifier:**  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** A-37B AND F-5E SALES TO ECUADOR  
**TAGS:** MASS, EC, US  
**To:** QUITO  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005